

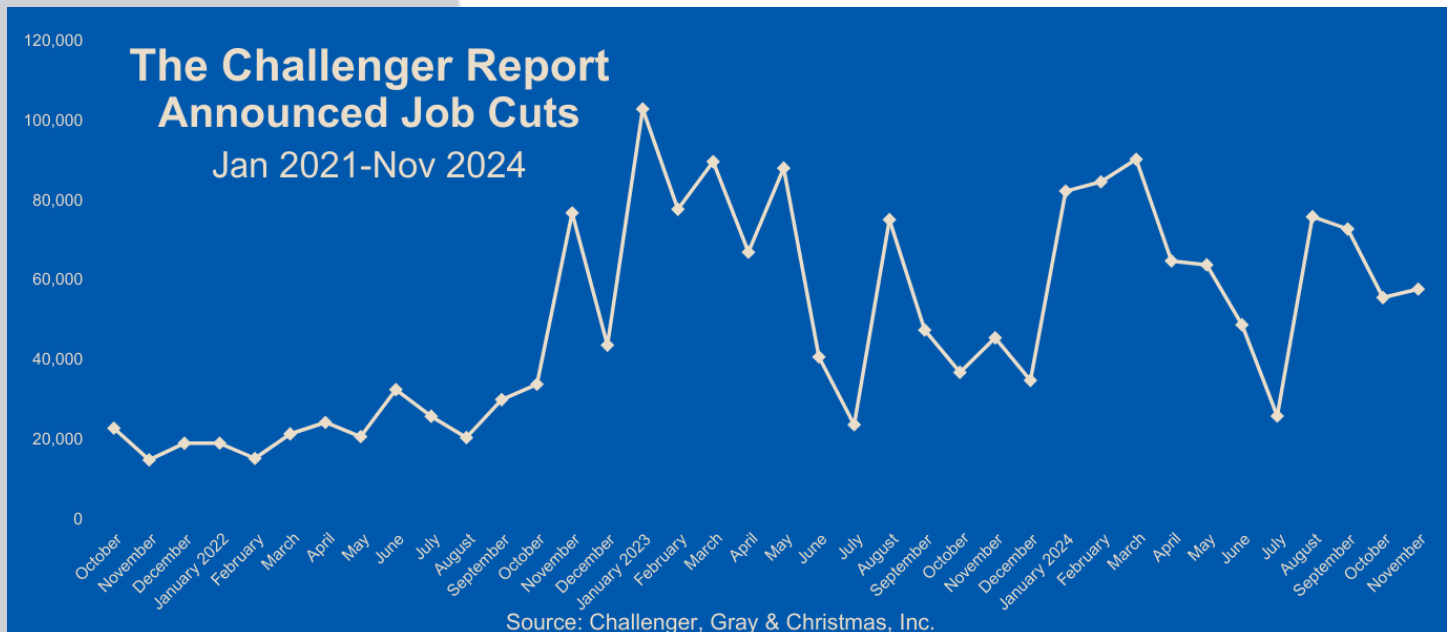
THE CHALLENGER REPORT

November 2024

FOR RELEASE AT 7:30 A.M. ET, THURSDAY, DECEMBER 5TH, 2024

JOB CUTS RISE IN NOVEMBER; AUTO, TECH LEAD ALL INDUSTRIES, MOST ANNOUNCEMENTS CITE ECONOMIC CONDITIONS LAST MONTH

CHICAGO, December 5, 2024 – U.S.-based employers announced 57,727 cuts in November, a 3.8% increase from the 55,597 cuts announced one month prior. It is up 26.8% from the 45,510 cuts announced in the same month in 2023, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.



For the year, companies have announced 722,566 job cuts, up 5.2% from 686,860 announced through November of last year. It is the fourth-highest November total since 2008. Excluding the year-to-date total of 2,227,725 in 2020, job cut announcements are the highest since 2009, when 1,242,936 job cuts were announced through November.

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JOB CUT ANNOUNCEMENT REPORT

Year	November Job Cut Announcements
2008	181,671
2022	76,835
2020	64,797
2024	57,727
2012	57,081
2018	53,073
2009	50,349
2010	48,711
2023	45,510
2013	45,314
2019	44,569
2011	42,474
2014	35,940
2017	35,038
2015	30,953
2016	26,936
2021	14,875

Recession years

Source: Challenger, Gray & Christmas, Inc.

“November saw downstream cuts to Automotive suppliers and parts manufacturers, as well as ongoing cuts in Consumer and Industrial Manufacturing. Technology also saw a high number of layoff announcements, as that sector continues to undergo significant changes,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

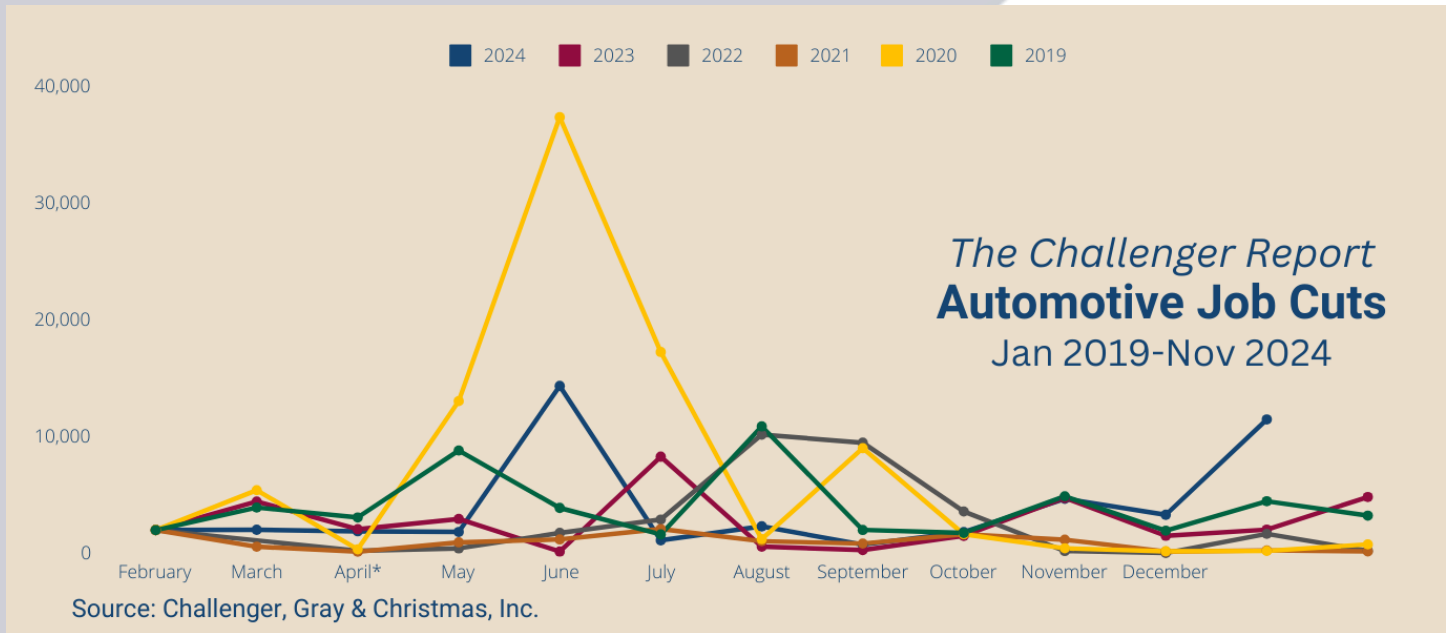
Which Industries Are Cutting Workers?

Automotive

The Automotive sector announced the most job cuts in November with 11,506, the highest monthly total since 14,373 cuts were recorded in April. For the year, Automotive companies have announced 45,820, a 59% increase from the 28,803 cuts recorded through November last year.

“The Automotive industry is currently experiencing significant challenges, including potential tariffs affecting U.S. automakers with overseas factories, intensifying competition from Chinese electric vehicle (EV) manufacturers, and shifts in government subsidies for EVs. Additionally, leadership changes, such as the recent resignation of Stellantis CEO Carlos Tavares, are contributing to the sector's volatility,” said Challenger.

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Technology

Last month, Technology cut 10,231 cuts for a total of 130,701. Cuts in this sector have decreased 20% from the 163,562 cuts recorded through November last year.

Healthcare/Products

The Healthcare and Healthcare Products industry, which excludes Hospitals, has cut the second-most jobs this year with 47,249, down 18% from the 57,758 announced through this period last year.

“Healthcare is experiencing similar challenges to the Automotive industry, in that regulatory and policy changes, as well as leadership changes, has led to increased volatility. Labor disputes and new technologies are also causing workforce realignments,” said Challenger.

Industrial Manufacturing

Companies in the Industrial Manufacturing space have announced 21,974 cuts through November, an increase of 158% from the 8,517 announced in the sector during the same period last year.

Announced News Cuts

	2024	2023	2022	2021
January	528	360	0	242
February	1226	546	200	90
March	373	532	491	542
April	57	517	224	1
May	55	17	2	88
June	158	119	0	46
July	172	238	54	0
August	533	31	80	18
September	300	63	135	0
October	118	271	0	10
November	1,017	363	260	124
December		30	362	350
Total	4,537	3,087	1,808	1,511
YTD		3,057	1,446	1,161

Source: Challenger, Gray & Christmas, Inc.

Media & News

The Media industry, which includes television, film, streaming, and News, announced 14,549 job cuts so far this year, down 28% from the 20,324 announced in the industry through November 2023.

News, which includes digital, broadcast, and print, and is tracked as a subset of Media, announced 1,017 layoffs in November, the highest monthly total since 1,226 cuts were recorded in February. For the year, News has announced 4,537, up 48% from the 3,057 cuts tracked during the same period last year.

Where Are Cuts Occurring?

Challenger tracks announcements by company headquarters unless the announcement states where the cuts are occurring. Companies headquartered in the East saw a 20.4% rise in layoff announcements compared to 2023, with the District of Columbia experiencing the most dramatic increase, jumping by 1,254% due to a large cut announced at the US Army. Delaware and Rhode Island also reported notable increases, up 365% and 34%, respectively. However, states like New York and New Jersey showed declines, suggesting stabilization or a slowdown in layoffs from some of the largest employers headquartered there.

Companies in the Midwest saw a slight overall increase of 1.6%, with layoffs likely influenced by challenges in the manufacturing sector. Ohio led the region with a 140% jump in announcements, while Iowa's increase of 306% signals major disruptions in agricultural and industrial manufacturing. However, states like Illinois, Missouri, and Minnesota reported declines.

The South experienced a significant 23.5% decline in job cut announcements, driven by substantial decreases in Florida and Tennessee, which reported drops of nearly 50%. Meanwhile, the West region showed a 9.6% increase, with Texas and Colorado leading gains, likely due to corporate restructuring in sectors like Energy and Technology. California, while still the largest contributor to layoff totals, saw a 16% decline in announcements compared to 2023, reflecting possible stabilization.

Why Are Companies Cutting?

Last month, companies cited “Market/Economic Conditions” for 22,762 job cuts, the highest monthly total for this reason since April, when 26,866 job cuts were attributed to this reason. Another, 16,288 job cuts were due to store, department, or unit “Closing.”

“Cost-Cutting” leads all reasons for job cut plans this year with 147,903, followed by “Market/Economic Conditions” with 132,467.

Hiring Plans Lowest Since 2015

U.S. employers have announced 761,954 hiring plans, down 2% from the 777,101 plans recorded through November last year. The year-to-date total is the lowest since 2015, when employers planned to hire 679,286 new workers through November.

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JOB CUT ANNOUNCEMENT REPORT
Table 1: EXECUTIVE SUMMARY

TOP FIVE INDUSTRIES

Year To Date

	2024	2023
Technology	130,701	163,562
Health Care/Products	47,249	57,758
Automotive	45,820	28,803
Services	42,041	44,361
Consumer Products	41,188	35,099

MONTH BY MONTH TOTALS

	2024	2023
January	82,307	102,943
February	84,638	77,770
March	90,309	89,703
April	64,789	66,995
May	63,816	80,089
June	48,786	40,709
July	25,885	23,697
August	75,891	75,151
September	72,821	47,457
October	55,597	36,836
November	57,727	45,510
December		34,817
TOTAL	722,566	721,677

Some reductions are identified by employers as workers who will take early retirement offers or other special considerations to leave the company.

LAYOFF LOCATION

Year To Date

	YTD 2024	YTD 2023
California	151,880	180,855
New York	71,562	76,961
Texas	70,106	40,783
Washington	38,287	38,484
Dist. of Columbia	35,113	2,593

Listings are identified by the location of the layoff or corporate headquarters as stated in announcement.

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Table 2: JOB CUTS BY INDUSTRY

	23-Nov	24-Oct	24-Nov	YTD 2023	YTD 2024	Percent Change
Aerospace/Defense	953	18,465	117	8,173	29,643	262.7%
Apparel	778	291	386	3,303	8,402	154.4%
Automotive	2,059	3,330	11,506	28,803	45,820	59.1%
Chemical	93	258	140	1,185	1,728	45.8%
Construction	385	392	654	5,353	11,579	116.3%
Consumer Products	2,131	4,571	7,323	35,099	41,188	17.3%
Education	1,360	481	759	10,298	27,225	164.4%
Electronics	615	204	1,412	2,791	4,772	71.0%
Energy	481	1,387	2,123	2,464	11,825	379.9%
Entertainment/Leisure	1,339	1,033	1,832	15,425	33,919	119.9%
Financial	3,698	2,408	2,130	50,792	40,755	-19.8%
FinTech	2,700	83	571	14,227	5,625	-60.5%
Food	1,165	1,781	2,331	15,914	27,060	70.0%
Government	106	7	415	1,791	38,161	2030.7%
Health Care/Products	3,329	3,022	2,433	57,758	47,249	-18.2%
Industrial Goods	2,037	822	1,358	8,517	21,974	158.0%
Insurance	1,229	626	468	9,006	6,458	-28.3%
Legal	322	100		1,437	202	-85.9%
Media	443	365	1,270	20,324	14,549	-28.4%
Mining	319		1,384	1,544	2,757	78.6%
Non-Profit	445	480	311	4,005	5,640	40.8%
Pharmaceutical	1,473	424	766	11,498	13,517	17.6%
Real Estate	99			7,424	4,692	-36.8%
Retail	6,548	7,696	2,267	78,730	38,403	-51.2%
Services	948	1,831	2,745	44,361	42,041	-5.2%
Technology	5,049	3,614	10,231	163,562	130,701	-20.1%
Telecommunications	500		51	20,441	10,331	-49.5%
Transportation	3,515	476	519	12,372	26,258	112.2%
Utility	150	84	35	1,272	8,998	607.4%
Warehousing	1,241	1,366	2,190	48,991	21,094	-56.9%
TOTAL	45,510	55,597	57,727	686,860	722,566	5.2%

Source: Challenger, Gray & Christmas, Inc. ©

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Table 3: JOB CUTS BY REGION, STATE

EAST	Nov-24	YTD 2024	YTD 2023
Connecticut	2,367	11,900	10,451
Delaware	1,300	2,000	430
Dist. of Columbia	325	35,113	2,593
Maine		473	571
Maryland	939	8,376	10,211
Massachusetts	933	18,484	14,711
New Hampshire		237	587
New Jersey	560	12,177	15,484
New York	3,336	71,562	76,961
Pennsylvania	974	16,351	16,066
Rhode Island	393	12,243	9,133
Vermont		469	73
TOTAL	11,127	189,385	157,271

MIDWEST	Nov-24	YTD 2024	YTD 2023
Illinois	1,884	21,915	26,514
Indiana	114	3,973	6,698
Iowa	205	8,195	2,019
Kansas	54	4,867	3,565
Michigan	5,949	27,350	28,303
Minnesota	106	8,845	15,411
Missouri	662	7,692	16,455
Nebraska		753	2,734
Ohio	6,070	29,983	12,509
Wisconsin	620	10,140	7,499
TOTAL	15,664	123,713	121,707

WEST	Nov-24	YTD 2024	YTD 2023
Alaska		70	128
Arizona	166	9,308	6,498
California	15,219	151,880	180,855
Colorado	852	14,678	6,178
Hawaii	213	3,261	396
Idaho		715	609
Montana		1,035	637
Nevada	250	11,344	7,857
New Mexico		893	1,343
North Dakota	11	104	39
Oklahoma	200	1,121	2,202
Oregon		10,140	4,173
South Dakota	638	1,762	388
Texas	3,140	70,106	40,783
Utah	366	6,250	4,005
Washington	1,552	38,287	38,484
Wyoming		1,902	31
TOTAL	22,607	322,856	294,606

SOUTH	Nov-24	YTD 2024	YTD 2023
Alabama	90	3,340	5,440
Arkansas		1,674	10,507
Florida	570	13,536	25,853
Georgia	596	18,407	3,100
Kentucky	753	4,217	1,259
Louisiana		1,303	3,633
Mississippi		1,028	3,197
North Carolina	3,526	12,010	20,313
South Carolina	979	5,322	2,098
Tennessee	948	16,864	33,013
Virginia	835	7,899	4,490
West Virginia	32	1,012	373
TOTAL	8,329	86,612	113,276

Table 4: JOB CUTS BY REASON

	Nov-24	YTD 2024
Cost-Cutting	3,571	147,903
Market/Economic Conditions	22,762	132,467
Closing	16,288	128,382
Restructuring	7,521	87,376
No Reason Provided	289	76,518
Financial Loss	730	23,344
Acquisition/Merger	798	18,962
Technological Update (not AI)		18,125
Contract Loss	1,322	15,814
Demand Downturn	168	14,943
Bankruptcy	3,011	13,711
Voluntary Severance/Buyouts	1,121	13,468
Artificial Intelligence		12,742
Relocation (Domestic)	48	8,266
Labor Dispute		2,964
Outsourcing Operations to Another US Company		1,717
Consolidation	98	1,580
COVID-19		1,272
Natural Disaster		1,269
Promoting In-Person Work		529
SB 17 (Prohibits DEI offices at Public Universities in TX)		450
Relocation (International)		336
Covid-19 Recovery		278
Funding Loss		150
TOTAL	57,727	722,566

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Table 5: QUARTER BY QUARTER

	Q1	Q2	Q3	Q4	TOTAL
1989	9,850	10,100	24,085	67,250	111,285
1990	107,052	87,686	49,104	72,205	316,047
1991	110,056	76,622	147,507	221,107	555,292
1992*	110,815	85,486	151,849	151,850	500,000
1993	170,615	84,263	194,486	165,822	615,186
1994	192,572	107,421	117,706	98,370	516,069
1995	97,716	114,583	89,718	137,865	439,882
1996	168,695	101,818	91,784	114,850	477,147
1997	134,257	51,309	95,930	152,854	434,350
1998	139,140	131,303	161,013	246,339	677,795
1999	210,521	173,027	173,181	118,403	675,132
2000	141,853	81,568	168,875	221,664	613,960
2001	406,806	370,556	594,326	585,188	1,956,876
2002	478,905	292,393	269,090	426,435	1,466,823
2003	355,795	274,737	241,548	364,346	1,236,426
2004	262,840	209,895	251,585	315,415	1,039,735
2005	287,134	251,140	245,378	288,402	1,072,054
2006	255,878	180,580	202,771	200,593	839,822
2007	195,986	197,513	194,095	180,670	768,264
2008	200,656	275,292	287,142	460,903	1,223,993
2009	578,510	318,165	240,233	151,122	1,288,030
2010	181,183	116,494	113,595	118,701	529,973
2011	130,749	115,057	233,258	127,018	606,082
2012	143,094	139,997	102,910	137,361	523,362
2013	145,041	113,891	128,452	121,667	509,051
2014	121,341	124,693	117,374	119,763	483,171
2015	140,214	147,458	205,759	105,079	598,510
2016	180,920	132,834	121,858	91,303	526,915
2017	126,201	100,799	94,478	97,292	418,770
2018	140,379	104,800	120,879	172,601	538,659
2019	190,410	140,577	133,882	127,687	592,556
2020	346,683	1,238,364	497,215	222,493	2,304,755
2021	144,686	67,975	52,560	56,749	321,970
2022	55,696	77,515	76,284	154,329	363,824
2023	270,416	187,793	146,305	117,163	721,677
2024	257,254	177,391	174,597		609,242
AVG	199,720	179,475	175,300	186,025	

Source: Challenger, Gray & Christmas, Inc. ©

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Table 6: ANNOUNCED HIRING PLANS BY MONTH

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
January	5,376	32,764	77,630	72,063	23,229	74,040	41,890	136,501	8,362	8,774
February	10,317	28,830	215,127	146,403	88,202	15,279	139,925	25,765	7,539	14,574
March	21,102	9,044	105,224	97,767	824,610	96,368	14,525	127,006	10,997	6,412
April	9,802	23,310	88,622	76,345	285,639	258,302	13,842	61,537	11,557	13,898
May	4,236	7,885	126,083	49,118	38,981	8,663	9,889	77,447	24,732	12,598
June	19,087	13,629	102,897	110,093	75,454	11,946	13,504	40,095	13,564	11,176
July	3,676	12,774	25,506	18,281	246,507	22,316	9,823	88,142	16,051	11,637
August	6,101	7,744	41,985	94,004	160,411	24,937	17,274	14,530	9,101	11,778
September	403,893	590,353	380,014	939,790	929,860	459,689	595,997	422,726	487,075	492,306
October	266,743	35,202	237,380	52,042	255,198	190,835	130,338	37,387	135,532	86,107
November	11,621	15,566	30,203	6,527	185,504	19,063	15,422	61,300	108,994	10,026
December		3,022	51,693	89,984	77,267	26,313	15,999	8,218	35,198	11,465
TOTAL	761,954	780,123	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654	868,702	690,751
Monthly Average	69,269	65,010	123,530	146,035	265,905	100,646	84,869	91,721	72,392	57,563
YTD	761,954	777,101	1,430,671	1,662,433	3,113,595	1,181,438	1,002,429	1,092,436	833,504	679,286

CHALLENGER, GRAY & CHRISTMAS, INC.
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Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	24-Nov	YTD 2024	YTD 2023
Aerospace/Defense	125	7,394	11,873
Apparel		310	602
Automotive		4,702	15,323
Chemical		823	1,275
Construction	10	4,537	7,452
Consumer Products	156	5,518	8,090
Education		1,542	1,943
Electronics	3,800	5,009	1,404
Energy	67	12,719	20,710
Entertainment/Leisure		1,400	20,495
Financial		92	8,407
FinTech	1,000	1,085	50
Food	666	5,059	7,516
Government		1,674	41,862
Health Care/Products	41	3,781	6,830
Industrial Goods	1,582	11,854	7,985
Insurance		695	229
Legal		0	20
Media		175	11
Mining		221	0
Non-Profit		60	3,137
Pharmaceutical		3,429	3,564
Real Estate		1,700	12,778
Retail		535,960	440,893
Services	42	1,320	6,545
Technology	648	14,707	20,491
Telecommunications		1,574	2,241
Transportation	11	127,967	105,352
Utility	2,407	3,752	1,951
Warehousing	1,066	2,895	18,072
TOTAL	11,621	761,954	777,101

Source: Challenger, Gray & Christmas, Inc. ©